DOCUMENT RESUME

ED 184 497 HE 012 600

TITLE	A Program for Renewed Partnership. The Report of the Sloan Commission on Government and Higher Education. An Overview.
INSTITUTION	Sloan Commission on Government and Higher Education, Cambridge, Mass.
PUB DATE	80
NOTE	61p.
AVAILABLE FROM	Ballinger Publishing Company, Cambridge, MA
EDRS PRICE	MF01/PC03 Plus Postage.
DESCRIPTORS	*Access to Education; Budgeting; College Admission; *Equal Education; Family Income; Federal Aid; *Federal Government; Federal Regulation; Government Role; *Government School Relationship; *Higher Education; Medical Education; Minority Groups; Research Opportunities; School Holding Power; Scientific Research; State Colleges; State Government; *Student Financial Aid; Tuition
IDENTIFIERS	Basic Educational Opportunity Grants; National Educational Loan Bank; Research Administration; *Sloan Commission Studies

ABSTRACT

A study undertaken in 1977 by the Sloan Commission on the Regulation of Higher Education addressed the issue of government influence on postsecondary institutions. This overview of the study, the first chapter of the final report, summarizes the major recommendations in these areas: federal regulation, the role of the states (composition of higher education boards, reviews of program quality, changes in appropriation formulas, and minimum standards), student financial aid (present program limitations, changes in the Basic Educational Opportunity Grant program, low tuition at open-access state institutions, awards to colleges to promote retention, a national education loan bank, merit grants, and the overall program), research support (stability and growth of funding, reallocation project funds for new purposes, and financial oversight), and medical education (shifts in federal concerns, minority admissions, and enrollment limits). Two recommendations are emphasized: (1) the creation of a single enforcement agency for equal opportunity laws and regulations in higher education, and (2) reform of the federal financial aid program to ensure grants are reserved for poor students while loans are used to widen college choice for students of families at all income levels. Comments and dissents by individual commission members are included in a separate chapter, an outline of the full report is appended, and notes on individual commission members are given. (MSE)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

A Program for Renewed Partnership

The Report of the Sloan Commission on Government and Higher Education

2

An Overview

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

Alfred P. Sloan Foundation

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

U S DEPARTMENT OF HEALTH, EDUCATION & WELFARE
NATIONAL INSTITUTE OF EDUCATION

THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY

ED184497

HE 012

An Overview

A Program For Renewed Partnership

The Report of the Sloan Commission on Government and Higher Education

Ballinger Publishing Company • Cambridge, Massachusetts
A Subsidiary of Harper & Row, Publishers, Inc.

Copyright © 1980 by The Alfred P. Sloan Foundation. All rights reserved.

Printed in the United States of America

Foreword

At their meeting of February 1, 1977, the Trustees of the Alfred P. Sloan Foundation approved the formation of what was then called the Sloan Commission on the Regulation of Higher Education and appropriated the funds to begin its work. The agenda for that meeting defined the questions to be addressed and the approach to them in part as follows:

—How does the country strike the balance between institutional freedom and government authority?

—To what extent is the academic institution to be responsive to what may be perceived as social needs?

—What both the regulators and the regulated find themselves in need of is a detailed, comprehensive analysis of the regulatory process by a distinguished but disinterested body whose recommendations would define and protect—and would be seen to define and protect—the public interest.

The Sloan Commission on Government and Higher Education has been precisely this kind of body. It has adhered closely to the agenda and the timetable set forth originally.

As in the previous cases in which the Foundation has established independent commissions, the role of the Foundation has been restricted to selecting the Commissioners and providing the funding for their work. Foundation officers have attended the meetings of the Commission as observers, but the recommendations are those of the Commission and not those of the Foundation or its Trustees.

We are deeply indebted to the members of the Commission, who are listed on page ii, for their conscientious efforts over many months and for the knowledge and insight they brought to their task. We are also indebted to the able staff of the Commission for the substantial body of research that lies behind the Commission's findings and recommendations. Perhaps our greatest debt is to Mr. Louis Cabot, the Chairman, and Dr. Carl Kaysen, the Vice Chairman and Director of Research. It is not an easy task to achieve a high degree of consensus among Commissioners of diverse backgrounds and points of view while still retaining substance and avoiding platitudes. They have achieved this with unfailing skill and tact, and the Report is testimony to their accomplishment.

Albert Rees, President
Alfred P. Sloan Foundation.

Preface

Our Commission worked for more than two years. During this time, the public interest in the need for government and the academic world to resolve their differences became clearer as the adversarial posture stiffened on both sides. We present our recommendations early in a presidential election year when the urgency of other national and international issues can easily overshadow those we address. Nevertheless, we believe that the health of higher education is of great importance to the future of the country. If our report can stimulate public discussion and our recommendations find a place on the national agenda, its timing will prove fortunate.

From the first, we recognized that the key to the problems cannot be found in the concerns of any single set of institutions within the huge and diverse enterprise called "higher education." The balance between private and public institutions was an issue we discussed long and hard. The standards and needs of the elite research universities—our group had highly articulate spokesmen for them—are just one part of the dilemma facing

higher education in its relation to government. There was no danger that we might ignore the viewpoints of women or of Blacks since they were particularly eloquently presented by members of the Commission. Those from the academic world were gently, if repeatedly, reminded by those from the business world of their own struggles with government regulation.

Our meetings were searching, spirited, and occasionally heated. The issues are complex. They also are controversial. Except in the few specific cases noted in the Overview, our recommendations reflect a natural resolution of our differences.

Our work could not have been done without the information assembled and analyzed by our excellent professional staff: Dr. Kenneth M. Deitch, Edward S. Gruson, Crystal C. Lloyd-Campbell, Esq., John E. Murphy, M.D., and Geoffrey White. Together with outside consultants, they kept us supplied with what we needed to know and highlighted the issues for us continuously over the period of our work. Finally, our logistic needs, both in Cambridge and in many other meeting places, were attended to with far more than logistic skill by Kathleen Fox.

We think we have given the country something to think about.

Louis W. Cabot
Chairman

Carl Kaysen
Vice Chairman and
Director of Research

An Overview

A new drama opened on the college campus in the seventies. Though not much in the headlines, it distracts the faculty offstage and keeps a large audience absorbed. A growing number of lawyers and administrators are in the cast needed by colleges and universities to deal with a growing number of federal agents and investigators. Their dialogue of the deaf about affirmative action and financial accountability leads to little more than bad feeling on all sides. The struggle centers on how much right the government has to tell higher education what to do.

The academic world is traditionally autonomous, and its history offers considerable justification for its proud belief that it is able to change with the times. Over the past decade, the government steadily increased its output of laws and regulations affecting the campus, and moved aggressively in many places to get the compliance with them that it must have. This is what spawns the tension.

The discord comes at a time when American higher education is suffering the pangs of entering a new age, one of uncertainty and growing pessimism. A time of unprecedented expansion, change, and buoyancy has given way to a time of retrenchment. The growth came from the explosion of the college age population after World War II and from all the other changes that produced a rising percentage of those who chose college over work following high school. But now, the stark fact is that there are many fewer eighteen-year-olds to go to college and that this will continue at least until 1995. Even though many students today are not in the traditional age group, the Commission is confident that their numbers will not begin to make up for the enrollment losses caused by demographic changes.

This declining demand coincides with a period of severe financial stress for higher education, when inflation is driving up operating costs dramatically and hitting hard at all of its sources of income.

Government was a powerful and generous ally during the expansion. It could not have been otherwise since it understood well how our colleges and universities could fill the existing extraordinary demands for education and research. Its nose barely poked on to the campus. But today, there is less understanding, and sometimes it seems that the entire camel is bumping and thumping around inside the higher education tent.

The conflict has persisted for some years and our Commission was created to examine the reasons for it. We are convinced that although there are real problems that will not go away, much can be done to improve the ways in which the government and colleges and universities get along. This was our limited objective. We did not set out to present a vision of the ideal structure and to call for drastic change. Still, some of our proposals are bold and suggest a new order of priorities. Not everyone, on or off the campus, will like what we have to say. Without opposition, we would be left in doubt that it was worth saying at all.

Although our report is detailed and its recommendations highly specific, we mean it for the concerned citizen as well as the expert. Some of what we recommend is addressed to col-

leges and universities. Some of what we recommend needs action in state legislatures, in government agencies, and in Congress. All of what we recommend deserves wide public discussion. Every American is involved—as parent, as student, or as taxpayer.

Higher education is now a big business. It involves many people and much money. There are 11 million students in our colleges and universities and they employ 1 million faculty, administration, and staff. Total revenues are currently about $45 billion each year: $11 to $12 billion come from students and their families while $3 billion come from gifts, non-government grants and contracts, and endowment income. All the rest is provided by governments.

Large sums of public money are involved. In the fiscal year 1979–80, state legislatures invested $19 billion, and the federal government spent $14 billion, most of which went directly or indirectly to institutions.

These figures point up the importance of higher education to each of us as taxpayers. If it is to survive in something resembling its present form, public funds of this magnitude will be needed for as far ahead as we can see. Each of us has a large stake in making sure that the money is well used.

There are no easy answers to the questions we had to consider. Many are deeply philosophical ones that divide the public, and involve a conflict between two conceptions of fairness in how American society distributes opportunities and rewards. One view emphasizes individual effort and would reserve rewards for those who earn them. The other view stresses our obligations to meet the needs and claims of disadvantaged groups. As we, ourselves, examined the specific problems of public policy in higher education, we tried to arrive at a proper balance between these two philosophies.

The Commission's recommendations are shaped by the following broad convictions:

—It is of first importance to preserve the diversity of higher education. The response to new conditions, here as elsewhere,

should be directed by the pluralistic choices of students and their parents, rather than by centralized decision-making.

—The social goals of equal opportunity legislation must be maintained, but a better way to reach them is needed. The initiative and responsibility must be kept primarily with the colleges and universities.

—Retrenchment is a new and difficult task. Reduction of capacity must be managed in a way that maintains quality and variety. The whole burden should not fall on private institutions.

—Federal financial aid should continue to be used primarily for helping students, so that no high school graduate who wants further education is denied it because of financial need. Yet, self-help should also be an element in every aid program. The federal government should also enable students to have wider choice among institutions by making its borrowing power available to all students and their families.

—Present mechanisms of federal support for research and scholarship at colleges and universities are fundamentally sound. Steadier funding and long-run growth in real terms are nevertheless needed to maintain America's preeminence in science and scholarship.

—The heavy involvement of the federal government in medical education, with its tendency toward manpower planning and direction, point to future dangers for higher education as a whole.

We call on our congressmen, on our state legislators, on our government officials, and on our political leaders to recognize that there has been an alarming loss of perspective on what higher education is all about, what it can do and must do, and what it should not be asked to do. More and more, the government is raising questions about faculty appointments and promotions through agents who simply do not know enough about higher education. More and more, problems are in the hands of administrators and legal advisors rather than in the hands of faculties who are responsible for the results. More and more, student admissions policies are under attack, and present pro-

cedures shift the attack to the courtroom. More and more, the government is expressing views on curriculum. More and more, scientists and scholars working with federal grants feel they are being treated like suppliers of office equipment or builders of dams. More and more, decisions on who shall teach, what they shall teach, and whom they shall teach are passing from colleges and universities to government agencies and the courts.

What we are saying is that present procedures—causing increasing bitterness and pessimism on both sides—ignore the vital interests of higher education. All too often, the standards are incomprehensible and inconsistent. Most of the procedures evolved in other contexts—secondary school or business. Many of the mechanisms are clumsy, duplicative, insensitive, time-consuming, ineffective and expensive. The remedies we recommend are ones we believe to balance fairly all the complex values at stake. If accepted, we think they will make a difference for the coming generation.

We call on the colleges and universities to recognize that some governmental oversight is inevitable. While we deplore the government's present lack of perspective, we also emphasize that it is unreasonable and unfair for higher education to accept billions in public money annually without being ready to account for its use, and without meeting the social goals toward which so much of the resented oversight is directed. What is needed now is simple acceptance of some of the government's demands as minimal and proper, even if onerous and sometimes expensive.

Our recommendations for improvement call for much self-regulation, and more is needed. We urge our colleges and universities to take a new hard look at themselves. Academics have been pioneers in calling for change in other social institutions, but have not always been ahead of society in changing their own. Many of the current demands resented by academic spokesmen are neither extraordinary nor illegitimate. The academy claims special status as the disinterested custodian of truth. But some of the advertising by 'academic' institutions is as extravagant as any in the commercial sector.

Both sides must work to restore the good will and feeling of partnership they enjoyed for so long. The prevailing adversarial

mood is dangerous, particularly in the coming period when the dependence on the government as a patron will be so great. Those in higher education must anticipate problems, must educate the regulators, and, above all, must themselves make the changes that are needed. They are in the best position to decide how to change and keep their capacity to do what society needs them to do.

The pluralism of America is reflected in the forms and purposes assumed by colleges and universities, particularly in the last generation. This immense diversity embodies to a remarkable degree the values of our society. It is unique to this country and one of our greatest strengths. Ours is the only country in the world that makes it possible for all high school graduates to find the kind of further education that suits their talents and desires. Present trends could well end in the substitution of a table d'hôte for an à la carte offering.

Some of our colleges and universities are predominantly Catholic, some Baptist, some Jewish. Some serve only women. Some serve small local communities; many draw students from all sections of the nation and from abroad. Some are public and almost tuition free; others are private, charging high tuitions. Some have large endowments and depend heavily on the generosity of their graduates. In the last two decades, much of the growth in enrollment was in new wide-access public institutions requiring only a high school diploma for admission. There was a phenomenal increase in the numbers of two-year community colleges, most of which offer vocational training along with the traditional liberal arts, as well as in new four-year comprehensive colleges.

Not every college of every type can survive, or should survive, the coming enrollment decline and competition for students. But we can be sure that every college of every type will fight hard to keep open. The pressures on the public and the legislatures for support will be formidable. Anticipating this, we were led to think about how to guard quality. What the states do in the next fifteen years will have a profound influence on both the quality and variety of higher education.

We want to emphasize that we see great risks of federal intervention in the retrenchment process. Our Commission con-

cluded that the federal government should strongly resist pressures to shape its financial aid or other policies to bolster an otherwise declining demand.

Most college students today are in institutions that are not nationally known. We think this fact is not widely appreciated, and that is why we stress it. If too many institutions of a particular type are forced to close their doors in a particular locale, it would be a great loss not only to the students who would have elected to go to them, but to our society. Homogenization of viewpoint and form is a threat to our deepest values. Public support must continue to be distributed broadly. We offer recommendations that we believe will safeguard diversity while encouraging the survival of the fittest.

We asked these questions, and answered yes to all of them:

—Is it important to keep successful comprehensive and community colleges alive? Yes, because they are a major new channel of social mobility.

—Is it important to continue to have a significant number of small private liberal arts colleges? Yes, because they preserve our intellectual inheritance and provide a sanctuary for moral and social criticism.

—Is it important to keep our great research universities, both public and private, strong? Yes, because they make our world leadership in science and technology possible by maintaining and enlarging our knowledge through scholarship, research, and teaching.

—Is it important to continue supporting some colleges that are predominantly for Blacks, or for Hispanic-Americans, or for women? Yes, because historically, these institutions have been the seedbed where people with talents for leadership were first awakened to their possibilities.

Of course, no one type of institution serves only one purpose, nor has every type of institution been mentioned. But all share the job of educating and training our young men and women. We believe that only if we continue to encourage a mix as varied as the present one will higher education still be able to accomplish all its tasks so vital to the nation's health.

Summary of Recommendations

Our full report has many recommendations, described and analyzed in detail. In the following summary, we highlight the major ones. Of those, two are particularly important: (1) the creation of a single enforcement agency for equal opportunity laws and regulations in higher education; and (2) reform of the federal financial aid program to insure that grants are reserved for poor students, while loans are used to widen choice of institutions by students and families of all incomes.

At first glance, these, and some of our other recommendations as well, appear to add to bureaucracy. Our purpose is just the opposite. We believe that the consolidation we recommend will bring together sprawling and conflicting procedures so that higher education and government can get along more amicably and more effectively.

At the outset, we decided that our report would be incomplete if it focused on federal regulation alone, although the academic reaction to its growth was the immediate stimulus for the creation of the Sloan Commission. Therefore, we covered all the major federal policies of importance to higher education. In addition to regulation, these are financial aid to students, support for academic research, and medical education. Our discussions were organized around these topics and the full report contains chapters on each. We treat all colleges and universities as part of one system, as does federal policy.

It was also clear that we could not make detailed recommendations for each of the fifty states. On the other hand, there are a few important questions most states face and we have a chapter on these.

At the beginning of the full report, we present the context in which the wide expression of protest at governmental intrusiveness must be heard: the structure of higher education and how the states and federal government are involved in all parts of it. We also describe the economic situation of colleges and universities today and show why their financial outlook is gloomy.

Federal Regulation

Enforcement of laws on non-discrimination and equal opportunity create many difficult problems for colleges and universities, where the impact is peculiarly important. Most of the academic community accepts, by now, the broad substantive aims of these laws, or, at least, the obligation to comply with them. Moreover, since our colleges and universities have an actual, as well as symbolic, role as a major channel for social mobility, the need for effective application of the laws in higher education is clear and compelling. The Commission strongly reaffirms these goals, and believes that regulation continues to be needed to achieve them.

But difficult questions remain. What constitutes discrimination? Who should decide when it exists? On the basis of what standards? What should be done if it does exist? Who decides that? We concluded that the current machinery is not producing the answers that are needed, and is unlikely to do so without modification.

We have already discussed the vital interests of higher education in choosing faculty, students and curriculum. In the coming decades, compliance with the equal opportunity laws will be even more difficult for colleges and universities because of their poor growth prospects. There will be severe competition for academic jobs so that both hiring and promotion of faculty will be constantly challenged for discriminatory practices. Issues involving fairness of student admissions and maintenance of academic standards will intensify as enrollments go down and competition for students goes up.

There are now seventeen federal laws and executive orders relating to equal opportunity to be enforced. There are eight different agencies, with many regional offices, responsible for enforcement. The federal courts, of course, have ultimate jurisdiction. This diffusion of responsibility is one major source of confusion. Another is that Congressional legislation never spelled out clear standards or powers for any of these agencies. Compliance standards and enforcement procedures vary among them, and even within them, as officials are replaced or succeeded. Also, there is considerable duplication of effort on all sides, making the process expensive for both government and higher education. Field representatives are typically young, relatively low paid, with little experience or knowledge of colleges and universities. There is high turnover.

In addition, many aggrieved individuals and groups feel that the agencies do not protect their rights adequately and turn to the courts. The judicial, rather than the administrative mode, in fact, now prevails for enforcing equal opportunity statutes. The courts have become the principal forum for hearing complaints, and now shape the substantive content of equal opportunity policy.

The Commission views the reliance on litigation as counterproductive since it reinforces adversary relations. It is also expensive and time-consuming. Though it has produced some

results that might not otherwise have been realized, the question must be asked whether they justify the conflict, the cost, and the frequent failures not only for higher education and the government, but even for those the litigation seeks to protect.

On the whole, financial incentives, widely discussed today as an effective and equitable way to achieve the goals of regulation, are not easy to apply to equal opportunity enforcement. However, the Commission has two recommendations that do use such incentives in addressing two specific problems. Both involve federal matching funds for institutional investment. First, **we recommend that large investments made by colleges and universities to provide better facilities for the handicapped be matched by the federal government.** Second, **we recommend the strengthening of an existing fellowship program for Black and other minority graduate and professional students by providing for federal matching of university contributions.** Since colleges and universities often find themselves with too small a pool of qualified minority candidates for faculty appointments, it is in their own interest to enlarge the supply. A further advantage of requiring matching contributions from the institutions is that it could increase congressional willingness to fund the government half of this program fully.

But a basic reform of procedures is needed over the whole range of problems of achieving equal opportunity in higher education. The present process, as we have seen, gets people into court too often and too soon. We believe that useful results can be produced at more bearable costs.

We set about designing a procedure that puts more of the responsibility on the institutions for doing the job themselves. In particular, we focus on the proposition that academic institutions are collegial and not hierarchical. If affirmative action is to have lasting impact on our colleges and universities, it must be managed by the people who make the decisions. In these institutions, all of the really important decisions must involve faculty as well as administration. We looked for a procedure, then, to get the faculties seriously involved. But sanctions and controls must be retained; more than good intentions on their part is essential. Above all, each institution must check on its progress through criticism by its own community—the faculty.

Council for Equal Opportunity in Higher Education. Accordingly, we recommend the creation of a single consolidated agency for the enforcement of all equal opportunity laws in higher education, which we call the *Council for Equal Opportunity in Higher Education.* It would be an independent regulatory agency within the new Department of Education, under the Secretary; it would provide incentives for effective self-regulation; and, as much as possible, it would unify standards and consolidate enforcement.*

The key feature of the new Council's procedures would be an assessment report required of every college and university, filed with the Council on a regular basis, and published. Each institution would develop its assessment procedures in a way that realistically reflects its own structure and decision processes. At present, affirmative action plans are typically produced by the central administration. A collegial process, involving those responsible in detail for decisions on students and faculty, would encourage genuine change and probe its limits. Publication of the assessment report would be very important as a further prod toward institutional initiative. Suggested procedures for the regulatory agency's handling of the reports are spelled out in the body of our full document.

All complaints would be initially investigated by the Council and it would be responsible for their resolution. The Council would have the power to issue rules and regulations, and to provide policy guidance on issues that bear on compliance problems, such as confidentiality and privacy. It would have the power to impose sanctions, including: cease-and-desist orders, provision of back-pay or salary equalization, and ordering 'targeted' fund terminations limited to offending programs, departments or schools. It would also have the ultimate power to order termination of all federal funds to the institution. This threat, as now used, is a hollow one.

The Council should rely heavily on mediation and other informal, non-adversarial techniques, especially in cases initiated by individuals. The services of the regional offices of the Federal Mediation and Conciliation Service, as well as those of private groups, such as the higher education associations them-

*Peter Clark and A. Leon Higginbotham dissent from this recommendation. See comments, pp. 38–40.

selves, could be drawn on for this purpose. Only if all these efforts failed, would the Council proceed to formal hearings.

The Council should be required to meet a procedural timetable. So long as it kept within that calendar, only its final orders could be appealed to the courts. On the other hand, if the Council failed to act in the required time, the parties would be entitled to take their complaints to court.

Creation of the new Council we recommend requires new legislation. We recognize the difficulty of securing it, and the important obstacles to be overcome. Protected groups—such as women, ethnic minorities including Blacks, the handicapped—must be persuaded, as we are, that the new procedures will be more effective in representing their interests. From the perspective of those who have been denied opportunity, the gains they have won to date have come about as a result of their own determined efforts to get the courts to enforce the laws. The Commission believes that there are now enough forceful and articulate spokesmen in place in the academic world to monitor effectively the work of the recommended Council.

Our recommendation may be dismissed by many as adding just another intrusive bureaucracy. Actually, the structure we propose would replace many other far more complex ones with little real power. We believe that a special agency is justified because present procedures are ineffective and enforcement problems are particularly delicate. Other areas of American life with similar problems, such as upper-echelon executive and professional employment, may find that the Council provides a successful model.

Any change leading to more effective enforcement would, in itself, be a considerable step toward realizing the goals of the equal opportunity laws since it would diminish the adversarial attitudes that now dominate the relations between regulators and regulated. In the final analysis, the academic community itself must act. Until it accepts this obligation, more government intervention, not less, will result, and the threat to academic integrity and independence will increase.

Other Federal Regulations. There are two other kinds of federal regulation about which many in higher education complain. First, are all the laws relating to social security, workmen's compensation, occupational health, and the like, many of

them only recently extended to colleges and universities. These regulations add costs, and their impact is magnified by higher education's current financial problems. Small, private institutions are particularly burdened, often needing to add administrative staff, while large ones, with their high visibility, are scrutinized regularly and thoroughly. Appropriations for public institutions, on the other hand, typically take these additional costs into account. Although some of the academic community asks for exemption from these measures, the Commission concluded that they are here to stay for all society, in substance if not in detail, and that it is neither fair nor realistic for higher education to expect special treatment.

The second resented set of federal regulations involve financial accountability and are attached primarily to the student aid and research support programs. Accountability for public money is inescapable. However, the present auditing processes for research grants do have enough adverse substantive impact on scientists and scholars for the Commission to propose some modification in our section on research support.

All of these regulations, as well as others, are discussed more fully in the complete report. While the Commission does not mean to minimize any problems created by regulation, we believe we accurately reflect the assessment of the academic world that non-discrimination and affirmative action confront higher education with the most painful and important problems. Higher education must show the way in purging itself of all forms of discrimination.

Role of the States

Today, most students are in colleges financed and governed by the states, which contribute more to the total higher education budget than either the federal government or students and their families.

The share of total state budgets devoted to higher education has already levelled off, and in a number of states, begun to decline. With college enrollments falling and competing demands for state services increasing, public higher education will find it difficult to get the appropriations it seeks. The decisions the states must make in the impending period of retrenchment

will be crucial to the quality and variety of higher education offered the next generation.

Appropriation formulas now used by most states pay a substantial premium for each additional student enrolled. They effectively promoted expansion during the enrollment boom. As enrollments go down, however, the same formulas pose a double threat to academic quality. They erode the financial base of public institutions because funds needed to maintain the quality of academic programs are not granted. They also increase the incentive for institutions to compete for students by lowering academic standards.

Even though many public institutions may be operating below capacity and, in order to attact students the academic standards at some may decline, few will close on their own volition. Indeed, since the Great Depression, only one state-supported four-year public college or university has been closed. Private institutions must attract a relatively full complement of tuition-paying students to remain solvent and stay open. Public institutions can stay open as long as legislatures supply the minimum appropriations needed. Since most public colleges and universities have strong constituencies within their states, legislatures reduce capacity only reluctantly, prolonging the pressures on enrollments and finances for all.

If the states use their financial resources to maintain the capacity of the public sector at present levels despite the decline in demand, the burden of contraction will fall disproportionately on private colleges and universities. Students at these institutions receive some support from the states, but, of course, it costs the states more when the same students attend public colleges and universities. Therefore, a disproportionate contraction of the private sector increases the cost to the taxpaying public of providing higher education to state residents. It also weakens the variety of institutions in a state. There is a clear interest, then, for each state to see that the burden of contraction is shared fairly by the public and private sectors.

As a matter of social philosophy, we believe that the necessary adjustments to declining enrollments are best made by the institutions themselves, public or private, rather than imposed by state governments not always attuned to, or sophisticated in, educational matters. That, after all, is the prime responsibility

of the institutions' administrations and trustees. Yet the incentives built into the present system, the limitations of the market as an instrument of discipline for publicly funded institutions, and the consequent one-sidedness of the public-private competition, all demand a more self-conscious, systematic, and widely applied process of quality control than now exists.

Composition of Higher Education Boards. Higher education boards now vary widely among the states in their degree of influence. The decisions the Boards face in the years ahead must be made by people who fully understand the purposes and problems of higher education. We believe that the best way to strengthen the boards is by strengthening their composition, not their powers. Members must command such respect that it is impossible for political figures to ignore their recommendations without drawing considerable public criticism. **The Commission recommends that each board have a majority of respected lay members, that no more than one-third should be representatives from higher education, and that the voice of the private sector be included.**

Reviews of Program Quality. The Commission recommends that each state arrange for a periodic review of the quality of educational programs at every public college and university within the state. The reviews should be conducted by academic peer groups, not by state employees. To the greatest extent possible, existing accrediting mechanisms, such as the regional and professional accrediting associations, should be drawn on to organize and conduct the reviews.

Any governmental effort, whether state or federal, to evaluate the quality of education arouses profound uneasiness throughout the higher education community. It is seen as a threat to institutional autonomy and academic freedom. In our judgment, the impending enrollment decline justifies so radical a step. Candid evaluations of program quality, made by competent and disinterested reviewers, would be particularly valuable during a period of retrenchment. They can both provide warnings to the administrators in a particular institution and help institutions as a group resist the temptation to compete for students by lowering academic standards. Further, independent judgments of program quality should be an important consid-

eration when a state agency redefines the mission of an institution and changes its role, or even recommends closing it.

Publication of the reviews is an essential part of the process. Only broad dissemination of the results is likely to create a climate of opinion that would support change. Without publication, the institutions and other responsible actors would find it too easy to suppress or ignore unfavorable evaluations. The reviews should be made public after a one-year delay to allow time to act on recommendations.

Should private colleges and universities be included in the review process? On balance, inclusion of the private as well as public sector is probably desirable. With coordination between the two, it is more likely that wasteful duplication of programs could be avoided, and that contraction of capacity would proceed as equitably as possible. All would benefit if the voice of private higher education were made a deliberate part of the state-wide coordinating and planning process, as is now the case in nine states. But, because the private institutions will look at the review process as an undesirable intrusion into their autonomy and may see it as a first step on the slippery slope to public control, we believe states should invite, but not require, them to participate.*

Changes in Appropriation Formulas. The Commission believes that the new retrenchment situation requires an adaptation of the basic appropriation formulas now used. The states could, for example, alter their formulas to combine a flat basic grant that covers a substantial part—perhaps one-third—of each institution's overall budget at current enrollment levels, with a per-student allowance that provides the remainder. This would reduce somewhat the incentive to compete for students by lowering standards. Also, by putting a clear price—the amount of the flat base grant—on keeping an institution open, a formula of this type would focus legislators' attention on the costs of failing to reduce capacity. Searching questions on possible mergers of institutions, changes in scope, and the like would be inescapable.

No change in an appropriation formula can itself resolve the underlying problems of declining demand. Public authorities

*William Friday and James Killian dissent from this recommendation. See comments, pp. 40–42.

must face their responsibility for adapting capacity to demand in a way that perceives quality, and recognizes the risks of forcing the whole burden of adjustment on the private institutions.

Minimum Standards. The problem of maintaining quality has another side, the maintenance of those minimum standards that entitle an institution to call itself a college or university. Competition for students appears to have engendered an increase in questionable recruiting practices. A few colleges and universities have gone beyond aggressive recruiting techniques and begun to engage in practices that seriously detract from the educational quality of their programs. Instances of extramural curricular programs close to fraudulent are not unknown. These practices will probably become more widespread as enrollment declines and competition for students becomes fiercer. **Each state should empower its higher education agency to license all institutions for operation within the state, and should establish and enforce minimum standards of academic conduct as a condition of licensing in order to prevent fraudulent and deceptive practices.** No institution of higher education should be exempt from this licensing process.*

Financial Aid to Students

The number of high school graduates able to further their education increased tremendously in the last generation. This was made possible by government programs. State governments took the initial and most important step years ago when they greatly expanded the capacity of their low tuition institutions in which high school graduation is the only entrance requirement. The federal government, through its programs of grants and loans begun with the Higher Education Act of 1965, also played an important role in promoting wide access to higher education. Because there are now so many wide-access institutions, widely distributed throughout the country, almost every high school graduate can find a low-cost college to attend, and can have federal financial aid if needed.

Yet family income remains an important factor in determining which high school graduates go on to college. A far larger proportion of young people from families at the top of the eco-

*Peter Clark comments on this recommendation, see p. 42.

nomic spectrum attend than do the rest. If equal opportunity is truly a national goal, and we believe it is, more needs to be done.

The Commission recommends that the central purpose of direct federal aid to students should continue to be what it has been since 1965—to lower financial barriers to post-secondary education. Our recommendations incorporate certain elements of alternative views we weighed. Several general principles guided our thinking on federal policy:

—That access should continue to be the central theme.

—That student financial aid should be designed to assist the student, not necessarily to assist the institution.

—That no student should be fully supported through public grants. Self-help should become one of the fundamental elements of any student aid package.

—That parents should contribute as much as possible to pay for their children's education.

—That the states make their greatest contribution by maintaining low tuitions in the first two years of open-access institutions, and that this role will be increasingly important.

—That academic achievement should also be rewarded, at least symbolically.

—That the most appropriate federal role in relation to "choice" of institution is offering a rational and equitable program of widely available loans.

The coming enrollment decline will intensify competition among institutions for aid-bearing students because of the revenues they bring in tuition, fees, and room-and-board charges. Congress will surely feel conflicting pressures to define aid mechanisms and allocation formulas so that they favor one or another type of institution. If the central purpose of financial aid continues to be helping students, this must remain the key criterion in designing federal programs.

Limitations of Present Programs. The many federal programs of grants and loans, those now in existence as well as those

under immediate consideration by Congress, lack coherence. There has been little attempt by the legislators to see or manage the various programs as interlocking although, in fact, they are. Their combined effect has an enormous influence on who goes to college, to which college, and who pays for it. The Commission believes that the right way to achieve overall coherence is through a clear separation of loans and grants to serve different needs. What are now called loans are actually an untidy intermingling of grants and loans. Our recommendations are directed towards achieving major improvements in equity without increasing total federal expenditure.

The Commission believes that grants should be reserved for those who need them most—the poor. Help for the children of higher income families is already provided by the states in the form of low tuitions in public sector institutions. This is a substantial subsidy. Also, we recommend a new loan program, whose features we describe below, that would provide essentially unsubsidized loans to help middle income families overcome short-run cash flow problems. By contrast, the present Middle Income Assistance Act (1978) makes the children of the middle-class eligible for outright grants, and the children of those at the very top of the income distribution eligible for heavily subsidized loans. These features enhance neither access to higher education nor choice of institution even though serving these two purposes is the reason for offering federal grants and loans.

Changes in the Basic Educational Opportunity Grant Program. The Basic Educational Opportunity Grant program (BEOG, 1972), is the most revolutionary contribution of federal policy in influencing who goes on to college. It promises to continue to achieve more as a major channel of social mobility than any other single federal program in higher education. Yet there are ways in which the Commission believes the program should be improved.

We recommend, first, that appropriations for the program be large enough so that every eligible student can receive the full amount of the award. Supplemental appropriations, if required, should be forthcoming.* **We recommend, second, that every**

*Peter Clark dissents from this recommendation. See comments, p. 42.

Congress adjust the maximum award so that it reflects changes in the consumer price index. On this basis, the 1980 maximum should be $2,400.

These two recommendations protect the integrity of the program as it now stands while ensuring that the language of the law and the practice of its administration coincide. Congress's past behavior on appropriations for BEOG—both in level and timing—made it impossible for students to know what amount of aid they could count on. A reasonable degree of certainty is important in providing effective access. With the recommended changes, each applicant could make a reasonably accurate estimate of how much aid to expect and plan accordingly. This is especially important for entering students. Further, there are now serious inequities since students with the same need can be treated differently in different years.

Third, **we recommend that the present half-cost rule be rescinded and a self-help requirement applied instead.** To support the renewed emphasis on self-help, spending on College Work-Study programs should be increased by $100 million, or roughly 20 percent. The half-cost limitation now operates to reduce the awards of students from the poorest families attending the least expensive institutions. The alternate procedures we recommend retain the principle that no one should go to college simply because there is public money to do so. We believe that every student should contribute at least $500 a year toward higher education.

These changes would substantially increase the cost of the Basic Grant program. As a counter-balance, **we recommend the elimination of social security education benefits for college students as no longer necessary.** This would save more.

Public understanding of financial aid programs would be strengthened if there were a single schedule of Expected Parental Contributions, rather than the two different major ones that now exist. **We recommend consolidating the two.** This would also help reinforce the principle that parents should continue to contribute as much as possible to their children's education. So would a stricter definition of the "independent student." We are in favor of both.

Low Tuitions at Open-Access State Institutions. The Commission believes it is vitally important to keep tuitions relatively

low in community colleges and in the first two years of other open-access institutions. This recommendation is central to the purpose of broadening access. Even if the Basic Grant program is improved in the important ways we propose, it still will not be able to provide enough help for the students most in need if tuitions are raised at the institutions most of them attend. The only qualification for entrance in most of these colleges is high school graduation.

It must be recognized that the first two years of college for such students are an important personal testing time. Some try it out, discover they can profit, and go on; others drop out. The sorting once accomplished, those who stay can reasonably expect tangible personal benefits. This is the case for charging them a larger proportion of the costs of their education after they complete two years.

The role of the states in promoting broader access to higher education remains critical, and the aim of our recommendation is to establish priorities for the states in responding to emerging pressures for tuition increases.

Modification of Title III. The Commission has one further recommendation closely related to access and tied to the Basic Grant program. 'Wide access' can become an empty rallying cry. It has another side that should receive more attention: once admitted, do students stay on and graduate? All too many colleges take students in and turn them over frequently. The dropout rate is high.

As a group, the historically Black colleges have had notable success in keeping students who are both particularly underprepared and particularly disadvantaged. Their graduation rates are high and the later achievements of their alumni are outstanding. These colleges represent a national treasure that should be maintained.

The Commission recommends that all four-year institutions making the same kind of contribution should receive special awards, both as an incentive and as support for their efforts. Recipients should be chosen by the Secretary of Education on the basis of the institution's proportion of students from exceptionally poor families, its rate of retention for students who enter as freshmen, and the success of its graduates in going beyond the B.A. degree. The award would be an unrestricted grant

matching the aggregate BEOG awards of the students enrolled during the year it was made. Nor are only private institutions in question: the program should continue to be open to all four-year institutions.

We offer this recommendation as a modification of the present Title III program, "Aid to Developing Institutions." The program was originally conceived to help colleges out of the mainstream, especially the Black colleges. The continuing need for their efforts in the years ahead is clear. Other institutions are equally deserving of special support on the same grounds. Some colleges in Appalachia have done as well for white students with poor preparation coming from poor families as the traditionally Black colleges have for their students.

We believe that federal assistance in maintaining the capacity of such institutions to meet these goals is highly desirable. Title III should be continued and will achieve its purpose better with the proposed modifications that give emphasis to retention as well as access. This judgment, made from today's perspective on race relations is, of course, subject to reconsideration in the future. The program should be reexamined from time to time.

Our sense of the order of magnitude of the proposed program is that about 150–200 institutions could qualify, at a cost of about $150 million each year.

National Educational Loan Bank. The Commission believes that there is a federal role in helping students have a wider choice of institutions, including the opportunity to attend more expensive private ones. Further, we concluded that a fundamental reform of the federal loan programs is needed in order to reduce the element of subsidy in loans to students, as well as to begin government sponsored lending to parents. Borrowing for higher education should be insulated from the cyclical ups and downs of credit availability, as well as from local variations in them. We believe this is an appropriate role for the federal government to assume.

We propose that Congress establish a National Education Loan Bank to make essentially unsubsidized loans to undergraduate and graduate students alike. The Bank should also make it possible for parents to borrow in a way that makes credit widely available to them on more uniform terms, with limits set on combined loans to parents and their children. The

Bank would be allowed to borrow without limit from the Federal Financing Bank, and its obligations would be guaranteed by the Secretary of Education.

The major features of the proposed National Educational Loan Bank are as follows:

1. It would lend to students at the average cost of capital to the government for terms of up to twenty years.
2. Borrowers would have the option of graduated repayment programs.
3. Its operating costs, including defaults, would be borne by the federal government.
4. National Educational Loan Bank loans would be available to form part of each financial aid package, as loans do now. However, they would also be available to students who do not receive any financial aid, regardless of family income.
5. Any undergraduate (except freshmen) could borrow up to 25 percent of the cost of education; any graduate or professional student up to 50 percent.
6. Parents of students could borrow up to 50 percent of the cost of education. However, the combined parent and student borrowing should not exceed 50 percent of the cost of education for undergraduates, and 75 percent for those in graduate and professional schools. Thus, a loan directly to a student would diminish, dollar-for-dollar, the amount that the parents could borrow.
7. Parents would have ten years to repay, and would pay somewhat higher interest rates than students.

Despite a far wider reach and the inclusion of parents as well as students as eligible borrowers, this program would be much less expensive than the several present lending programs it replaces, in which interest rates are far below any realistic measure of the government's cost of capital. The Bank would rationalize a lending system whose working has become haphazard, and whose costs are high in relation to its purposes.

Merit Grants. Finally, **we recommend that the federal government establish a modest program of grants based on academic merit and achievement.** This would emphasize and honor values that, in recent years, have taken a back seat to society's

intense efforts to encourage and help those previously outside the mainstream of intellectual achievement and economic reward.

We recommend the annual award of 3,000 scholarships at the undergraduate level for four years at the institution of the student's choice. One-half would be awarded by national competition, while the remaining 1,500 would be allocated among the states on the basis of their population of eighteen-year-olds, and awarded by state competition. Each scholar would receive a minimum of $1,000 per year, but the rest to be determined by need.

We recommend another 3,000 awards to college seniors to cover the full cost of education at the graduate or professional school of the student's choice. Qualities of leadership, enterprise, and character that promise professional achievement would be considered as well as academic record. By emphasizing other aspects of achievement, the program would recognize that qualities not necessarily reflected in scholastic success are also socially valuable.

Every four-year institution in a state would be entitled to nominate a fixed number of candidates for the state-wide competition. A panel of experienced and objective citizens would select the winners on the basis of college records, recommendations and interviews, similar to the way in which Rhodes Scholarships and Rockefeller Public Service Awards are made. Since graduates of each four-year college would have a chance to compete, the proposed program would counter-balance to some degree the cumulative advantages of those beginning the competition in an advantageous position.

The National Merit Scholarship Corporation (NMSC) already has an admirable program broadly similar in conception. A plan to permit the government to match NMSC funds in order to expand its program along the lines we suggest would be a further development of this recommendation in keeping with its spirit.

Both the undergraduate and graduate programs we propose are modest in scale. But they would have considerable symbolic importance in influencing aspirations, conveying a sense of opportunity, and encouraging achievement.

The Total Program. Separate programs of financial aid interrelate. From the point of view of students in the aggregate and

of institutions, they form a single whole. The Commission believes its recommendations give a coherence now lacking to federal financial aid programs.

The following table compares the costs of present programs in fiscal year 1979 with the estimated costs under the proposed changes we recommend. These estimates are based on 1979 enrollments, income distributions, price levels, and so forth. They include several existing programs not mentioned above for which no significant change is proposed. Altogether the changes would save nearly $900 million.

Table 1. Comparison of Actual Costs (Rounded) and Estimated Costs Under Major Recommendations, Department of Education Programs, and Selected Other Existing and Proposed Programs.

	Actual Fiscal Year 1979 (in millions of dollars)	*Estimated Under Proposed Changes, Fiscal Year 1979 (in millions of dollars)*	*Change (in millions of dollars)*
Basic Grants (BEOG)	2,600	3,800	+ 1,200
Supplemental Grants (SEOG)	340	340	0
Federal Matching Grants to States (SSIG)	80	80	0
College Work-Study (CWS)	550	650	+ 100
National Educational Loan Bank (NELB)	0	250	+ 250
Federal Direct Lending (NDSL)	310	0	− 310
Insured Lending (GSL)	970	0	− 970
Title III, Strengthening Developing Institutions	120	150	+ 30
Special Remedial Programs (TRIO)	140	200	+ 60
Federal Merit Scholarship Programs	0	80	+ 80
Sub-total Department of Education Programs	5,110	5,550	+ 440
Social Security Education Benefits for Students in College	1,300	0	− 1,300
Veteran's Education Benefits	2,400	2,400	0
Sub-total (other Programs)	3,700	2,400	− 1,300
TOTAL	8,810	7,950	− 860

Financial aid policies and recommendations are difficult to summarize adequately. Our full report provides additional detail.

Research Support

The partnership between government and higher education for the performance of basic research has made enormous contributions to the nation's health, prosperity, and security. In the last forty years federal dollars helped transform the leading American universities into centers of scientific discovery, and enabled the United States to attain a position of unquestioned world leadership in science. Great public respect for scientists led to a high level of public support; from the end of World War II to 1969 the compound annual rate of growth of real funding for academic research averaged 15 percent.

In the last ten years, however, public and congressional attitudes toward science and scientists have become more critical, and the notion that every advance of scientific understanding produces social benefits is no longer accepted without question.

Growth of the science budget faltered in the late 1960s and came to a halt in 1969. In 1979, federal spending was nearly $4 billion in current dollars, but only slightly higher in real terms than the $2.3 billion (1969 dollars) spent a decade earlier. Through the 1981 fiscal year at least, pressure to hold down the federal budget and continuing inflation are likely to produce a modest decline in real expenditures on federal research or, at best, no growth.

Now university administrators and researchers fear that excessive regulation and financial oversight, together with an unwillingness of the funding agencies to bear the full cost of federally sponsored projects, threaten to undermine academic research. Congress questions the need for still more growth and increasingly wants to be sure that federal expenditures actually serve social goals rather than simply satisfy the curiosity of scientists at the taxpayers' expense.

We believe that the system of federal support for academic research that evolved in the years following the end of World War II is fundamentally sound. It is a pluralistic system. Basic research is funded chiefly on a project basis. The most promising among the unsolicited proposals submitted by investigators are chosen by their peers on grounds of scientific merit. More

than one federal agency usually provides funds for most types of research, so that no single set of decisions shapes the entire program. This system has withstood careful and repeated scrutiny, and no alternative system has been proposed that promises an equally effective, much less a better performance.

The present system concentrates research support in a small number of institutions, and rightly so. A relatively small number of highly talented individuals can make important contributions and, in each discipline, tend to assemble in a few departments so that they can work together. The distribution of funds thus reflects the distribution of scientific and scholarly talent and is in turn a consequence of the way research is naturally carried on.

The Need for Modest Real Growth and Stability of Funding. We recommend that funding for academic research incorporate a modest degree of long-term real growth, and that procedures protect the research enterprise from fluctuations in funding levels from year to year.

Some growth makes it more likely that adequate resources will be allocated to new ideas, on which much of the vitality of the scientific enterprise depends. The real cost of performing a particular experiment does not rise from year to year. Research, however, does not involve the same experiment year after year. The next step, because it probes more deeply, almost always requires more sophisticated equipment than the last. As a result, the cost of research escalates more rapidly than the cost of most other activities.

Basic research maintains the stock of knowledge on which our economy is founded. The United States depends increasingly on sophisticated technology for growth. If the share of gross national product invested in basic research diminishes, then the role of basic research in supporting the economy also diminishes. The cost to the country of failing to maintain an adequate science base is likely to be greater than the cost of paying for more research than can be demonstrated to be absolutely necessary. Some shading to the side of too much rather than too little funding for research is desirable. If our investment in basic research is to keep pace with the long-term rate of real growth of the economy, it should grow in real terms at about 2 percent annually—roughly equal to its growth over the past five years.

It is important that federal support for research in humanities and humanistic social sciences also continue to grow modestly. There is a deeper unity in all research and scholarship that transcends disciplinary boundaries and methodological differences. The university is an ideal place for basic research precisely because knowledge in all fields is pursued for its own sake more than for practical results. A narrow focus on natural science based on practical considerations, even if it is self-imposed, will ultimately dampen the intellectual curiosity that sustains research and higher education as a whole.

A smooth slow-down in growth would have created less financial trouble for academic science than the sudden end of growth in funding in 1969 and the fluctuations in levels since then. Congress, the funding agencies, and the scientific community should find mechanisms for agreeing on long-term targets for funding levels and adhere to them over a period of several years. Whatever the ultimate targets, the gain in centainty for researchers would be beneficial.

Stability of funding is also important at the level of individual research projects. It could be improved by more use of step funding, and we recommend widespread adoption of this system which provides funds for a number of years, but at declining levels. At every periodic review, the project is either extended and the lower funding step pushed forward in time or the investigator is assured of funds for an orderly phase out if the project is terminated.

Reallocations: Fellowships, Laboratories, Libraries, Discretionary Money. Now that rapid growth has ended, certain reallocations away from project funds to other needs which were well served in the earlier period are in order: scientific manpower, laboratory instruments and equipment, academic libraries, and the needs of research universities for some discretionary research money.

The vitality of the scientific enterprise requires a continual flow of talented young people into graduate study and postdoctoral research. Job opportunities clearly play some role in influencing the career choices of young scientists. The possibility of finding rewarding research careers in government, industry, and non-profit institutions outside higher education can partially substitute for the sharp decline in academic jobs in the next decade. Providing short-term support for the new

Ph.D.'s in academia can provide further help. **We recommend that about $100 million per year be spent on two kinds of new fellowships for this purpose: 1,000 competitive National Post-Doctoral Fellowships per year, fully portable, carrying two years of support and renewable for two further years; 300 National Research Fellowships, carrying five years of support for research on university campuses, in federally funded research centers, and intramural federal laboratories.** The successful competitors would have the prospect of nine years of research activity. While they would still face a depressed academic market at the end, their experience and achievements would give them a preferred position in finding continuing research employment.

Many universities have fallen far behind in maintaining up-to-date facilities, and for the first time since before World War II, American scientists speak enviously of the laboratories and instrumentation in Europe. **We, therefore, recommend that a total of $50 million be divided between the National Science Foundation and the National Institutes of Health in each of the next five years for a program of grants to upgrade research laboratories and equipment at universities and colleges.** Funds for these purposes have almost totally disappeared.

Academic libraries are the basic resource for research and scholarship in the humanities and many of the social sciences. They are rapidly becoming more costly and complex; the annual expense of maintaining a major research library is now about $10 million and increasing. Rising costs mean that only a very few libraries will have the resources to continue to maintain strong, self-contained collections in every discipline. Collection development and management and the preservation of physically deteriorating books will have to become increasingly a cooperative venture with each library concentrating on areas of particular strength. **We recommend help to research libraries for speeding up these activities.**

The productive capacity of the research universities would be greatly helped if discretionary research funds were made available. Resources are needed to support promising juniors who have not yet established their reputations, to assist in building new research projects to the point where they can attract federal support, and to fill in the gaps left by federal grants that do not cover the full cost of research. To this end, **we recommend that every research grant and contract carry with it an addi-**

tional 7 percent of the project's direct costs, to be used in support of research, and so accounted for. These funds should come from the current budgets of the funding agencies with no increase in overall appropriations. Universities should not be allowed to spend general research funds on indirect costs of research, or on unrelated costs.

Financial Oversight. In addition to these concrete steps, a change in attitude of both governmental agencies and research universities from their present rancorous tone to one of mutual respect is needed. Federal agencies increasingly treat the funding of academic research as if it were another kind of procurement. One result has been an excessive increase in the extent and detail of financial oversight. An investigator's work on a particular research project is not perfectly separable from work on other projects, on teaching, or on faculty committees, and auditors cannot distinguish between costs that are allocable to research and those that are not with perfect precision. In trying to do so, they lose sight of the fact that the government is engaged in supporting a socially necessary activity, not merely purchasing a product. The auditors may also fail to recognize that the investigator's scientific curiosity and desire to establish a reputation among peers create powerful incentives for productive use of research funds.

Excessive oversight creates a costly burden of paperwork. Its greatest cost, however, is not financial but its potential effect on the research process itself. If close financial oversight requires the investigator who has a novel idea to interrupt research to get approval for budget changes, or to lay down a trail of documentation and, later, to justify the change in plans to auditors, it can mean that new leads are not followed while the now less fruitful, original plan is. This result is entirely self-defeating.

Academic administrators and researchers must recognize, for their part, that as recipients of public funds they are accountable for their use. The fact that financial oversight may sometimes interfere with the researcher's desire for flexibility or the university's desire for autonomy does not alter its legitimacy.

We recommend the development of a corps of federal auditors, sophisticated about scientific research and how research universities operate. This will make financial oversight less burdensome and improve its efficiency as well. At present, most

federal research in colleges and universities is audited by the Department of Health and Human Services, whose representatives often have little experience in dealing with research institutions, receive limited training, and typically stay on the assignment only briefly. Because sponsored research is such a small part of HHS's oversight responsibilities, the special problems involved are neglected.

The natural location for a new audit agency would be in the National Science Foundation, in a new Inspector General's office reporting directly to the National Science Board. As the only federal agency devoted entirely to research, NSF understands the process best and is most competent to conduct financial oversight. Its total scale of activity is small enough to ensure sufficient attention to auditing responsibilities. To maintain a clear separation between the award and administration of research grants by the Foundation, and the financial oversight of these and other agencies' grants by the new office, the two should operate as independent bodies, each reporting directly to the National Science Board.

Medical Education

Medical schools and their affiliated hospitals are the only producers of physicians and major centers for biomedical research. They also are important providers of health care in the United States. For these reasons, the federal government has been centrally involved in the medical schools of our universities for a long time.

Government engagement on a large scale began after World War II with research support growing more rapidly in biomedical and clinical research than in other fields. In the two decades following the war, government research funds in the medical area grew from less than $100 million a year to nearly $2 billion.

The next major federal initiative in academic medicine was the effort begun in the early 1960s to stimulate an increase in the output of M.D.'s through the use of federal subsidies and incentives to medical schools. These policies produced a great expansion in the number of doctors between the middle 1960s and the present. By 1978, the size of the first year medical school class reached 16,000, double its 1962 number.

Shifts in Federal Concerns. Rising costs of medical education and doubts about the need for more physicians brought an end to expansionary federal policies in the mid-seventies. The focus of federal concern shifted from the total number of M.D.'s produced to their distribution, more particularly to underserved inner-city neighborhoods and rural areas, and to the growing concentration in specialty practice. The Health Professions Act of 1976 mandated that to continue to receive federal 'capitation' payments (cost of education supplements tied to enrollment), which had been instituted as incentives to medical schools to increase enrollments, the schools had to train a certain proportion of their graduates for primary care.

Most of what the government sought to do in the medical schools was part of a broader effort to control the cost of medical care and, at the same time, make it more widely available. Therefore, though much of the government involvement with medical schools parallels that with the university at large—in support of research and training of manpower—there is a striking difference. Government has been more ready to apply to medical schools the kinds of direct controls used in other parts of the health care system, but not in other areas of higher education.

Since government seems to have chosen the instruments of planning and direct controls to deal with the problems of the health care system, academic medical centers can expect even deeper involvement by the government in its further attempts to solve the problems. For example, government may well make additional efforts to affect the specialty distribution of physicians by reaching more deeply into the medical curriculum, affecting programs for the M.D. degree as well as for residency training. And medical schools in public universities may increasingly be required to tie admission to a commitment to practice within the state for a period of time, a requirement some already have.

The cost of medical education is likely to become a matter of greater policy concern and be subjected to even closer scrutiny. Cross-subsidization—the extent to which research grants and revenues from patient care are used to support the cost of instruction—is a chronic issue being pressed with new vigor by government. Its desire to constrain the rising costs of hospital care will lead to further stringencies, as will efforts to enforce

conformity to accounting rules aimed at complete segregation of research from other institutional costs.

These developments, and the planned end of capitation, are putting further pressure on medical schools to increase tuition. The complete withdrawal of federal support for undergraduate medical education, and an effort to prevent indirect support through research funds and reimbursement for patient care, would put all medical schools in a difficult position and might force the private schools to increase tuition by staggering amounts or to close their doors.

Minority Admissions. Another persistent problem in the relations between government and medical schools is minority admissions. More than a decade ago, the schools recognized that their admission practices had discriminated against Blacks and other minority candidates and they began to make a substantial effort to increase minority enrollment. This effort was reinforced by affirmative action requirements in civil rights legislation. The proportion of Black students among all freshmen rose sharply from about 2.5 percent in the 1950s and 1960s to 7.5 percent in 1975. Whereas in the 1950s, three-quarters of all Black students were enrolled in two Black medical schools, Howard and Meharry, by 1975 more than 80 percent of the much larger total number were spread throughout predominantly white schools.

After 1975, however, the momentum of affirmative action slackened and Black enrollment fell slightly in proportion to the total; in 1978–79 the figure was 6.4 percent. The proportion of Black applicants selected no longer exceeded substantially their share of the total applicant pool as it had during the period of rapid expansion of minority enrollment. The reasons for the change are not clear. The Bakke case, which challenged the affirmative action program of the University of California, Davis medical school, and in which the California Supreme Court found for the plaintiff in 1976, may have tempered the willingness of admission committees to select minority candidates according to some affirmative action programs.

What is clear, however, is that the end of growth in the number of medical school students will sharpen the problem. The situation will be even more difficult if enrollments begin to decline. The puzzles and conflicts that affirmative action gener-

ates will increase, and the counter-pressures from those in the majority who feel it is discriminatory will become sharper.

Limitations of Places in Medical Schools. The limited number of places in medical schools is likely to become a focus of controversy in the near future. At the moment, both federal officials responsible for health care and academic physicians agree that the medical schools are training enough, if not too many, physicians. The evidence supporting this view is disputable, and an evaluation of it involves difficult and controversial questions of the supply, organization, and financing of health care that lie far beyond our Commissions's mandate.

There are many capable applicants to medical schools who could become well-qualified physicians—currently about two for every opening. Some of those who are turned away go to costly foreign medical schools for training, many of which are of admittedly inferior quality. Yet these foreign-trained graduates are accepted for residencies in U.S. hospitals and, in due course, join the corps of practicing physicians. Most of the disappointed applicants are simply denied the opportunity of training for and entry into a lucrative and prestigious profession.

Some undesirable results of limitation are already visible. As the number of qualified applicants has increased, the admission decisions at the margin become more and more difficult. Small differences in grade point averages and test scores are accorded a significance that cannot be justified in terms of outcomes. The fierce competition for grades and narrow focus on "appropriate" courses among many undergraduates planning to study medicine constrict their experience in college, depriving them of the opportunity for experimentation and inquiry that should be an important part of their education.

Rising tuitions, tending to limit the opportunities for entry into medicine more and more to children of well-to-do families, will further sharpen the issues of fairness raised by the present situation.

If larger considerations of health care planning really do require that the annual flow of newly trained physicians be limited to far fewer than the number of capable candidates who seek training, both the fairness of selection processes and who controls them will become issues. Federal and state governments will be increasingly ready to question medical schools on

both points, and the large numbers of those who feel aggrieved by their exclusion will stimulate that process.

Recommendation. The intimate connection between medical education and the provision of medical care that intensifies the difficulties of relations between government and academic medical centers makes it hard for our Commission to recommend ways of ameliorating these difficulties. Any proposals for changes in government policies toward medical education must be made with full attention to their probable effects on the health care system. Analysis of the problems of the whole health care system is beyond our scope. **What we learned, however, leads us to recommend strongly the creation of a national commission on medical education and its relation to health care.** It should include on its agenda a thorough consideration of the complex problems of access to and financing of medical education.*

Concluding Remarks

A period of profound change in the size and shape of higher education and its place in American life followed World War II. The federal government and the states were partners and patrons to our colleges and universities during a dramatic boom period filled with optimism and expansion.

A new period of retrenchment has begun. The tide of eighteen-year-olds that produced the growth has turned; striking demographic shifts are already bringing lower enrollments in some kinds of colleges. Public higher education must compete with other claims on the tightening supply of public funds, while private colleges and universities find revenues from tuition, gifts, and endowment funds failing to keep up with inflation.

Now the governments look less like helpful partners and more like unfriendly policemen. With the growth of student aid, the federal government has become more important as a patron, and our colleges and universities are widely dependent on it for their operating budgets. It has also become more intrusive as a regulator. Government enforcement of laws and regulations

*William Roth, with whom Ralph Dungan and Robert Ingersoll join, would add a further recommendation. See comments, p. 43.

encroaches on decisions held to be central to the traditional autonomy of the academic world, and imposes increased costs. To many in higher education, the government is at once indispensable and intolerable.

Our recommendations aim to help the institutions adapt to their new situation. All of them are what we believe to be workable improvements on present practice. The specific policy changes we recommend are important not only in themselves but also, taken as a whole, for their effect on the tone of relations between government and higher education. We believe that they can help change it from the present harsh wrangling to the more cooperative note it had earlier. All parties would benefit from such a change.

In the end, it is the colleges and universities themselves that must lead the way in adapting to the new circumstances of the next fifteen years. A central belief of the Commission, shaping many of our recommendations, is that higher education must have the largest possible scope for autonomy. But it cannot consistently call for less government and more money at the same time.

COMMENTS AND DISSENTS BY INDIVIDUAL MEMBERS OF THE SLOAN COMMISSION

The following comments and dissents in some cases refer to the full report.

1. P. 12, dissent by Peter Clark.

The Commission's critique of the "inexperienced," excessively "adversarial," "litigious" administration of the equal opportunity statutes in the field of higher education would apply with similar force to all other sectors of the society subject to equal opportunity legislation. The Commission has not proven the case that higher education should be exempted from the burdens borne by everyone else. To the contrary, since higher education serves as a self-conscious source of moral criticism and social change for the society, it may prove useful that higher education be subjected to the same governmental procedures as is everyone else.

P. 12, dissent by A. Leon Higginbotham, Jr.

While I have been impressed generally with the excellence of the Commission's report and its findings, I must dissent vigorously from its analysis and recommendation on federal regulation of higher education. I fear that the majority seems far more comfortable with what they call the past "American academic tradition" than they are with the challenges of the seventies when efforts were made to assure greater access to higher education to those who had been traditionally excluded or at least discouraged. In Chapter III, the Commissioners seem to identify more closely with the problems of the present college administrators and the present tenured faculty than it empathizes with the problems of victims of discrimination.

Perhaps this point is most dramatically demonstrated by the way the Commission starts Chapter III quoting Mr. Justice Frankfurter's views of the "American academic tradition" and then noting that "Equal opportunity regulation is being administered today in a way that is not in keeping with our tradition." Yet what was the academic tradition in Justice Frankfurter's time when he was a Professor at Harvard Law School or in fact when he was on the Supreme Court?

When Justice Frankfurter taught at Harvard Law School *no* women could be accepted and none were admitted to Harvard Law School until the 1950s. In addition, during that time it was rare if there were more than four or five Black students in the entire Harvard Law School in any particular year. Today at Harvard Law School there are 453 women and 148 Blacks out of a total of 1,624 candidates. What

has caused the change from the old American academic tradition? Is it because of what the majority calls the "sociology of collegial structure" or is there some interrelationship between the pressures of the present civil rights statutes and the change in the composition at Harvard Law School and at most major universities in this nation? Furthermore, how much change would have taken place if we had relied on what the majority calls "institutional opportunity assessment reports" as "a key feature . . . to the development of mechanisms for effective reform?"

At the beginning of the sixties there were about 200 Blacks and 500 women in the freshman class of U.S. medical schools out of some 8000 students. In 1979 there were 1100 Blacks and 4700 women out of a total of nearly 17,000. The proposal of the majority runs the risk of turning the clock back to the "progress" of the 1960s.

In summary, I fear that by analogy the fundamental error of the majority is that they identify far too closely with the admitted burdens of the "doctors" and do not appreciate nearly enough the health of the patients.

The civil rights laws were not designed to give college or tenured faculty any special immunity from the challenges of equal opportunity which confront our society generally. I can think of no rational reason for, as they phrase it, a "reform" which supports the Commission's first recommendation. With the multitude of professions in this country, why should we carve out a special niche or council just for the higher education community? If higher education deserves such a special council why should not there be a special council for hospitals, architects, lawyers, airline pilots, the merchant marines, and even plumbers? Each of these professions has certain subtleties in judgment which are not dissimilar to the problems one finds in higher education. The majority asserts:

> In the final analysis, *faculty* status is not won in the courtroom. Remedies which compel employment or tenure ignore the sociology of the collegial structure. Remedies short of compelling employment, such as back pay, may recoup financial loss, but litigiousness is not an attribute which enhances standing with colleagues. An individual litigant may win the immediate battle at great emotional and economic cost only to lose the academic war.

If you deleted the word "faculty" and substituted in its place one of several other professions, the same argument could be made. I submit that it is better for victims to endure the emotional and economic

costs of litigation than to win neither the "immediate battle" nor "the academic war."

But even if one could accept the Commission's general recommendation for the creation of a Council for Equal Opportunity in Higher Education, the mechanisms which have been suggested are unworkable and anti-democratic.

As an example, they stress "it would *not* have regional offices, and would be divided into three sections, all in Washington: the Council itself, a General Counsel's office, and a hearings office." Why is it that after having emphasized the importance of decentralization at colleges and the fact that at colleges one of the major attractions is the individual's sense of independence, do they come down with the most centralized organization possible for the government regulator. A centralized organization confined solely in Washington would preclude effective investigation, effective follow-up, effective enforcement of the laws, and even effective conciliation.

Of course, the present regulatory system can be improved and I have the impression that some progress is being made. However, in my view, what the majority describes as a "reform" of equal opportunity in higher education is not really reform but instead a deformity which would slacken the pace of equal opportunity and delay the day in this nation when racial, religious, and gender discrimination can become merely a tragic relic of our past.

2. P. 17, dissent by William Friday.

There are still another complicating set of circumstances facing higher education in its relations with state governments in the years ahead. Private colleges and universities have become in the last decade major claimants for state funds. In state after state, programs of public aid to private higher education have been established and funded. Here again, the aid formulas are generally tied to enrollment levels. Moreover, the preponderance of federal appropriations for the support of higher education is now for programs of student financial aid. The Basic Educational Opportunity Grant program is a powerful driving force in maintaining enrollment levels in both state colleges and universities and in private colleges and universities. For many private colleges and universities which have little or no endowment income and are thus dependent for their survival on student tuition payments, stability or even survival depends on enrollment levels. This is the case because their enrollments largely determine amounts of state aid, and

because of the federal dollars that are funneled to them through student financial aid programs. This dependency on public funds is a novel situation for American private higher education, and it raises a series of difficult policy questions of fundamental importance.

Should the private colleges and universities be included in this quality control process? This question points to the single most important dilemma facing private institutions. The private institutions have a unique and vital role in American higher education, and they are an essential part of the diversity of the system.

This quality of diversity is the consequence of the fact that they are private or independent institutions. As many of them become more dependent on state funds, and indeed as they assert a state obligation to provide for them some form of aid, can they continue to be private and independent in the historical meaning of the words? This is one of the most important questions to be faced by the private colleges and universities themselves, and by all of higher education. Simple assertions of the virtues of diversity do not suffice to answer the question, and more and more the relationship of the two sectors of higher education may become antagonistic as they compete for state appropriations.

Earlier in this report we said, "Accountability for public money is inescapable." As public funding to the private sector increases, this accountability almost certainly will soon require that private colleges and universities participate fully in the quality assurance process which should be conducted by academic peer groups through the established state governance or coordinating structures for higher education. If they are to receive public assistance from the state and participate in federal aid programs, then they ought to share in the responsibility for assuring that academic standards and quality are protected. Otherwise, public policy requirements regarding the use of public funds and avoidance of costly duplication and wastefulness would be applied to one segment of higher education and not to the other while both are being funded from state and federal sources. A voluntary program in all likelihood could not meet public policy requirements for academic accountability.

P. 17, dissent by James R. Killian.

I do not concur in the recommendation "that each state arrange for a periodic review of the quality of educational programs at every public college and university within the state" and with the statement that "inclusion of the private as well as public sector is probably desir-

able." Long experience leads me to fear the intrusion of the government in reviews of program quality. I fear that the assumption by the states—or the federal government—of accreditation will inevitably lead to dangerous governmental control even though the original arrangements seek to avoid harmful governmental influence on academic decisions. While the report suggests that states should "invite but not require private colleges and universities to participate in the academic program review process," I fear that the public institutions would feel that the non-participation of private institutions would be discriminatory, that pressures would inevitably increase for the mandatory inclusion of private institutions, and that indeed the adoption of the recommendation in this report would be but a "first step on the slippery slope to public control." I recognize the dangers inherent in the possibility that weak public institutions will be kept alive by state funds and that private institutions will take the brunt of declining enrollments. Nevertheless, I much prefer to leave the review process to the non-government, regional, and other accrediting agencies with every effort being made to strengthen these accrediting agencies.

3. P. 18, comment by Peter Clark.

Under "Reviews of Program Quality," (p. 16) the Commission says, "... we believe states should invite, but not require, private colleges and universities to participate in the academic program review process." On p. 18, it goes on to say, "Each state should empower its higher education agency to license all institutions for operation within the state, and should establish and enforce minimum standards of academic conduct as a condition of licensing, in order to prevent fraudulent and deceptive practices. No institution of higher education should be exempt from this licensing process."

One cannot object to protection from "fraudulent and deceptive practices." It is not difficult to imagine, however, the use of this licensing power by some state bureaucracies to advance the interests of public institutions, adversely to private colleges and universities, during the period of intense competition for students and for funds that we all believe will come. Every effort should be made to protect *private* colleges and universities from state government control over their very survival.

4. P. 20, dissent by Peter Clark.

This implies that, by establishing the program, Congress has created for itself some special obligation to fund it fully. The Commission's report does not justify any such special obligation. General higher

education (as distinguished from specialized education and scientific research and training) has no special claim to assured federal support. Along with many other federally-funded public benefit programs, it should compete for support in the ongoing political process.

5. P. 36, comment by William Roth, joined by Ralph Dungan and Robert Ingersoll.

I am concerned that in this otherwise excellent report, an area of highest cost to government—i.e., medicine, is given summary treatment. There is only one recommendation—and not a very original one at that. This is not because the Commission failed to consider the problems of medical education in some depth, but rather that a majority was ultimately confounded by its own inexpertise in so technical and complex an area. Its modesty was unfortunate. The medical associations, as well as the Department of Health, Education, and Welfare—on dubious economic and social grounds—have taken the position that there are enough doctors being trained in American universities. This in spite of the fact that thousands of academically qualified students are forced to seek medical education out of the country—often in inferior facilities, and then return to practice in America. In addition, thousands more foreign doctors, who should be serving the sick of their own less affluent countries, staff our hospitals. Although the Commission is not competent to evaluate all aspects of so large a question, it originally offered the suggestion that medical schools be allowed to determine their own class size—as do other professional schools, and not be limited by the accrediting bodies that approve its programs. This might be a small step in the direction of allowing medical schools the freedom to respond to the market. Finally, if there is to be a new commission on medical education, I would hope that its membership would include, in addition to doctors and administrators, consumers.

Contents of Full Report

Foreword
Albert Rees, President, Alfred P. Sloan Foundation

Preface
Louis W. Cabot, Chairman
Carl Kaysen, Vice Chairman and Director of Research
Sloan Commission on Government and Higher Education

Chapter 1
Overview

Summary of the Recommendations
Concluding Remarks

Chapter 2
The Context of the Problems

Structure of Higher Education
Role of the Government
Financial Problems of Colleges and Universities
  Introduction
  Rapid Expansion of the System after World War II
  The New Situation: Fewer Students, Less Income, Higher Costs

Chapter 3
Federal Regulation

Introduction
The Need for Equal Opportunity Regulation
Particular Problems in Regulating Higher Education
  Tenure System
  Conflict Between Public Disclosure and Confidentiality of Faculty Dossiers
  Collegial Nature of Higher Education
  Interacting Choices of Students and Institutions
Present Regulatory Apparatus—How it Functions
  Legal Basis
  Agencies Involved
  Procedures Used and Sanctions
Three Case Histories
  Case of John Doe, Student
  Case of Associate Professors Robert Roe and Mary Moe
  Adams v. Califano
Recommendations for Reform
  Council for Equal Opportunity in Higher Education
    Organization
    Institutional Assessment Reports
    Procedures for Enforcement
    Varied Remedies
    Phase-In and Review
    Political Feasibility
  Matching Funds for Expenditures on Plant to Aid Handicapped

Matching Funds to Enlarge Supply of Minority Candidates for Faculty Appointments Through Fellowships
Other Federal Regulations: General Health and Welfare and Financial Accountability
Conclusion

Chapter 4
Role of the States

Introduction
Composition of Higher Education Boards
Dealing with Retrenchment
Defining the Mission of all Public Colleges and Universities
Periodic Quality Reviews
Financing Formulas for State Appropriations
Importance of Public Research Universities—The Flagships
Minimum Standards of Institutional Academic Conduct-Preventing Fraudulent Practice
Faculty Collective Bargaining
Regulation: State Oversight and Administrative Autonomy

Chapter 5
Financial Aid

Should Widening Access Remain the Central Principle?
Who Should Pay for Higher Education?
The Role of Parents
The Role of Students
The Role of the Government
Should "Choice" Remain a Goal of Federal Aid?
Recommendations
To Widen Access:
Keeping Tuitions Low in First Two Years of Open Access Institutions
Reforms in the Basic Educational Opportunities Grant Program, and Self-Help
One Schedule for Expected Parental Contribution
Elimination of Social Security Benefits for College Students
The Secretary of Education's Access and Retention Awards
Maintaining TRIO Funding at Authorized Levels

To Enhance Choice:
The National Educational Loan Bank
Introduction
Detailed Description
Maintaining Real Federal Spending on Supplemental Educational Opportunity Grant and State Student Incentive Grant Programs
Importance of State Student Aid Programs
Spending in the Future
Costs of Proposed Compared to Existing Programs

Chapter 6
Federal Support for Academic Research

Introduction
Current Situation
Strains in the Partnership
Peer Review System
Basic Research vs. Applied Research
Excessive Financial Accountability
Level of Funding
Recommendations
Maintaining Peer Review
Need for Institutional Compliance and Federal Restraint in Financial Oversight
Cost Transfers
Effort Reporting
Reform of Procedure: New Office of Inspector General
Level of Funding
Need for Modest Real Growth
Importance of Stable Funding: Five Year Authorizations
Step Funding for Individual Investigators
Two Proposed National Postdoctoral Fellowship Competitions
Support for Undergraduate Research
Funding for Language and Area Studies
Proposed Competitive Research Facilities Grants
Increased Support for Academic Research Libraries
Need for General Discretionary Research Funds
Federal Restraint in Regulating Potentially Hazardous Research

Chapter 7
Government and the Education of Physicians

Introduction
New Focus of Federal Policy
Continuing and Emerging Problems
Paths of Improvement: Recommendation

Chapter 8
Why Should We Care?

Acknowledgements

Staff Working Papers and Studies Prepared for the Commission

Appendix:
Sources and Tables

Index

Notes on Members of the Commission

Notes on Members of the Commission

JEAN ALLARD is a lawyer practicing in Chicago, a partner in Sonnenschein Carlin Nath & Rosenthal since 1976. She was at the University of Chicago from 1953–58 as Research Associate and Assistant Dean in its Law School, and as Vice President for Business and Finance, 1972–75. She is a trustee of Culver-Stockton College.

JOHN D. BALDESCHWIELER, Professor of Chemistry and Chairman of the Division of Chemistry and Chemical Engineering, California Institute of Technology, is an active scientific advisor to the federal government and has served on many of its boards including the President's Scientific Advisory Committee. He was Deputy Director of the Office of Science and Technology, 1971–73.

LOUIS W. CABOT, Chairman of the Cabot Corporation, Boston is vice chairman of the Brookings Institution and a former chairman of the Federal Reserve Bank of Boston. His interest in

higher education is long-standing: he is a member of the Massachusetts Institute of Technology Corporation, Northeastern University, and a former member of the Board of Overseers of Harvard.

JAMES A. CAMPBELL, M.D., President of Rush-Presbyterian-St. Luke's Medical Center in Chicago, and Professor of Medicine at Rush Medical College since 1971, was Planning Director for Education in Health Fields of the Illinois Board of Higher Education from 1964 to 1968, while serving as Professor of Medicine at the University of Illinois. He is a trustee of Knox College.

EDWARD W. CARTER, Chairman of Carter Hawley Hale Stores, Inc., was its Chief Executive Officer 1946–77. Since 1952, he has served on the Board of Regents of the University of California, and is now its senior member. He is also a trustee of Occidental College, the Brookings Institution, and the National Humanities Center.

PETER B. CLARK is now publisher of *The Detroit News*. Before joining the *News* in 1961, he taught political science briefly at the University of Chicago and at Yale. He is chairman of the Federal Reserve Bank of Chicago, serves on the advisory council of the Woodrow Wilson International Center for Scholars and is a trustee of Kenyon College.

RALPH A. DUNGAN is U.S. Executive Director of the Inter-American Development Bank, Washington, D.C. He was Chancellor of Higher Education, State of New Jersey, 1967–77, Ambassador to Chile 1964–67, and Special Assistant to Presidents Kennedy and Johnson.

MURRAY H. FINLEY is President of the Amalgamated Clothing and Textile Workers Union, having served as President of the Amalgamated Clothing Workers from 1972. He is a lawyer who began his association with the Union as its attorney in Chicago in 1949. He is on the boards of the A. Philip Randolph Institute and the United Nations Association Business and Labor Economic Council.

NORMAN C. FRANCIS has been President of Xavier University in New Orleans since 1968. Now chairman of the College Entrance Examination Board and a director of the National Merit Scholarship Corporation, he serves on several other boards. He was on the Advisory Council on Developing Institutions, DHEW. He is a member of the Vatican's Pontifical Commission on Justice and Peace.

WILLIAM C. FRIDAY has been President of the University of North Carolina, Chapel Hill since 1956. He was chairman of President Johnson's Task Force on Education, president of the Association of American Universities and chairman of the American Council on Education. A trustee of Howard University, he is also on the Boards of Davidson and Meredith Colleges.

THOMAS S. GATES, former Chairman of the Board of Morgan Guaranty Trust Company and since 1977 a member of its Directors Advisory Council, has had careers both in public service and in finance. Among other posts, he has been Secretary of the Navy, Secretary of Defense, and Head of the U.S. Liaison Mission to the People's Republic of China, 1976–77. He is a life trustee of the University of Pennsylvania.

ROBERT J. GLASER, M.D. is President of the Henry J. Kaiser Family Foundation in Palo Alto. From 1965 to 1970 he was at Stanford as Vice President for Medical Affairs, Dean, and Professor at the School of Medicine. He is a charter member of the Institute of Medicine at the National Academy of Sciences, and on several national advisory boards including the Committee on Higher Education, DHEW.

A. LEON HIGGINBOTHAM, Jr., is Judge of the U.S. Court of Appeals, Third Circuit, Philadelphia. His long government career includes service as Special Deputy Attorney General for Pennsylvania, 1956–62, and Federal Trade Commissioner, 1962–64. He was vice chairman of the National Commission on the Causes and Prevention of Violence. He is a trustee of Thomas Jefferson University, and the University of Pennsylvania (life).

CARLA HILLS practices law in Washington, D.C. as a partner of Latham, Watkins & Hills. She was Secretary of Housing and Urban Development, 1975–77. In 1974 she was Assistant Attorney General, Civil Division of the Department of Justice. She serves as trustee of Pomona College, the University of Southern California, and is on advisory councils of Yale and its Law School.

ROBERT S. INGERSOLL is now Deputy Chairman of the Board of Trustees of the University of Chicago. For many years he was Chairman and Chief Executive Officer of the Borg-Warner Corporation. He has extensive government service: Ambassador to Japan, 1972–74, and Deputy Secretary of State, 1974–76. He is a trustee of Smith College and of the California Institute of Technology.

CARL KAYSEN, now Professor of Political Economy at Massachusetts Institute of Technology, from 1966 to 1976 was Director of the Institute for Advanced Study, Princeton. Between 1947 and 1966 he was at Harvard and was Lucius N. Littauer Professor of Political Economy. He was Special Assistant to President Kennedy.

JAMES R. KILLIAN, Jr., was President of Massachusetts Institute of Technology from 1948 to 1959, Chairman of its Corporation from 1959–71 and is now Honorary Chairman. As the first presidential science advisor, he was President Eisenhower's Special Assistant for Science and Technology, 1957–59. He has participated in many national commissions on government and education and served as trustee of Washington University and Mount Holyoke College.

SAMUEL D. PROCTOR is the Martin Luther King Memorial Professor in the Graduate School of Education, Rutgers University. He is also Senior Minister in the Abyssinian Baptist Church, New York. From 1964–69 he held administrative posts in the Peace Corps and the Office of Economic Opportunity. He is a trustee of the United Negro College Fund and Meharry Medical College.

WILLIAM M. ROTH is President of Roth Properties and of Ghiradelli Square, San Francisco. From 1963–69, he was U.S. Special Representative and Ambassador for Trade Negotiations in Geneva. A former member of the Board of Regents of the University of California, he is a trustee of the Johns Hopkins School of International Affairs and of the Carnegie Institution of Washington.

HARRIET W. SHERIDAN is now Dean of the College at Brown University. From 1953 to 1979 she was at Carleton College where she was Andrew W. Mellon Professor of Humanities, Dean, and Acting President. She is on advisory boards of the National Endowment for the Humanities and the Danforth Foundation Fellowships.

ROBERT L. SPROULL has been President of the University of Rochester since 1970. A physicist, he was earlier on the Cornell faculty and Vice President for Academic Affairs 1965–68. An active scientific advisor to the federal government, he was Chairman of the Defense Science Board and Director of Advanced Research Projects Agency, Department of Defense. He has been a trustee of Deep Springs College and of Cornell University.

DANIEL YANKELOVICH is President of Yankelovich, Skelly and White, Inc., a national survey organization on public attitudes. He is also Research Professor of Psychology at New York University and visiting Professor on the graduate faculty of the New School for Social Research. He is President and founder of the Public Agenda Foundation.

ALBERT W. BOWKER, Chancellor of the University of California at Berkeley, participated in many Commission meetings but not in the report.

81